

TC Document

I. Basic Information for TC

▪ Country/Region:	SURINAME
▪ TC Name:	Promoting employability for women and diverse groups in Suriname
▪ TC Number:	SU-T1166
▪ Team Leader/Members:	Cruz Aguayo, Yyannu (SCL/LMK) Team Leader; Carolina Echeverri (SCL/LMK); Centeno Lappas, Monica Clara Angelica (LEG/SGO); Gaston Ferrin (SCL/LMK); Melissa Chin (SCL/LMK)
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	SU-L1061.
▪ Date of TC Abstract authorization:	29 Sep 2022.
▪ Beneficiary:	Ministry of Labour, Employment Opportunity, and Youth Affairs (MOL)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Social Development(W2E)
▪ IDB Funding Requested:	US\$200,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	Disbursement and execution period (36 months)
▪ Required start date:	February 2023
▪ Types of consultants:	Firms and Individuals
▪ Prepared by Unit:	SCL/LMK-Labor Markets
▪ Unit of Disbursement Responsibility:	SCL/LMK-Labor Markets
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Diversity; Gender equality; Social inclusion and equality

II. Description of the Associated Loan

2.1 The program 5626/OC-SU Labor Market Alignment with New Industries was approved by the board on October 21st 2022, and was signed by the government of Suriname on November 11th 2022. The general objective of the program is to promote employability for jobseekers. The specific objectives are to: (i) provide jobseekers with relevant and high-quality training for employment; and (ii) expand the use of labor market intermediation services by jobseekers and employers. The Loan consists of two components:

2.2 **Component I.** Improve the quality and relevance of the Training for Employment (TFE) system (US\$6 million). Aims to provide jobseekers with high-quality and demand-driven training programs through four lines of action: (I.1) the strengthening of TFE capacity to align the training supply with the productive sector needs; (I.2) the improvement of the quality and relevance of TFE by providing adequate inputs for the delivery of the courses; (I.3) the improvement of the management and monitoring capacity of the training providers by developing a unified registry and follow-up system of beneficiaries and potential beneficiaries disaggregated by gender; and (I.4) the promotion to access training opportunities by eliminating some of the barriers that potential beneficiaries face, such as the cost of tuition and materials. Investments in

this component will seek to specifically prioritize the development of skills for environmentally sustainable industries or for the greening production processes in the promising sectors. Subcomponents I.1. and I.2 will include assessments on how to provide technical-vocational education and job training programs that develop skills for green jobs.

- 2.3 **Component II.** Improve the coverage and effectiveness of employment services (US\$3 million). Seeks to increase the coverage and effectiveness of employment policies through two lines of action: (II.1) the technological modernization of the employment services by implementing a digital transformation; and (II.2) the development of a Labor Market Information System (LMIS), including the visualization and production of statistics disaggregated by gender. The technological infrastructure that will be purchased for the Suriname's Department of Labour Mediation (SDLM) and for the development of a LMIS will have the highest rating standards for energy efficiency.
- 2.4 This TC will support the execution of the 5626/OC-SU program by complementing the collection of labor market information established under subcomponent II.2 with a special focus on vulnerable populations such as women and diverse groups to visualize specific drawbacks and restrictions that prevent labor insertion of these population groups.

III. Objectives and Justification of the TC

- 3.1 The Objective of this Technical Cooperation (TC) is to support the promotion of employability of women and diverse groups in Suriname. Particularly, this TC will benefit women and people in diverse groups, by providing key inputs for the development of more efficient solutions for their specific needs with respect to their participation (or lack or thereof) in the formal labor market.
- 3.2 This TC aims to identify the entry barriers and the permanence in the formal labor market for women and diverse groups by: (i) obtaining detailed information of the determinants of the labor market variables for women and diverse groups; (ii) establishing an action plan to promote the employability of women and diverse groups; and (iii) explore and assess specific interventions to promote the employability of women and diverse groups. The Ministry of Labour, Employment Opportunity, and Youth Affairs (MOL) will greatly benefit from having access to labor market information on these historically relegated groups, since it can serve as an entry route for the formulation of policies with a direct focus on them. The products of this TC will be used as inputs in the implementation of 5626/OC-SU, and specifically will complement the activities envisioned under Subcomponent II.2 associated with the development of a LMIS.
- 3.3 In 2021, the total labor force in Suriname was estimated at 235,722, representing 40% of total population (ILOSTAT, 2021). With an unemployment rate of 10.1% in 2021, Suriname is on the Latin American and Caribbean (LAC) average (10%). The lowest rate of the past decade was 6.6% in 2013 and has been rising at an average of 0.43 percentage points per year. Approximately 75% of the economically active population resides in the urban and rural-coastal¹ region and most, if not all data, is collected in

¹Urban Coastal: Paramaribo, Nickerie and Wanica. Rural Coastal: Coronie, Saramacca, Commewijne, Marowijne.

these areas and it is not clear how representative this data is for the people in the rural interior.

- 3.4 The limited availability of reliable Labor Market Information (LMI), especially for women and diverse groups is a challenge for policy formulation, implementation, monitoring, and evaluation. Specifically, there are significant information gaps on women and people in diverse groups (i.e., people with disabilities, indigenous, maroons, and LGBTQ+), which prevent a clear understanding of the specific barriers they face while accessing and staying in the formal labor market. For instance, household sampling processes are biased toward the coastal regions of Paramaribo and Wanica (National Bureau of Statistics, 2015-2018), limiting the data on the people living in the interior of the country such as Maroons, Arawaks, and Caribs that represent around 27% of the population (Price, 2013 and Mamo, 2022). Moreover, the instruments (questionnaires) employed to collect data do not consider the cultural and social differences of these specific populations.
- 3.5 The limited existing data shows that the labor market in Suriname is particularly precarious for women and diverse groups. Although women average one more year of formal education than men, in 2018 women's labor force participation was 48.1% (73.3% for men), and the female unemployment rate was 15% (6% for men). Similarly, tribal populations and individuals in the remote areas of the interior are mainly employed in agriculture and mining, sectors with informality rates of 84 percent and 56 percent, respectively (ILO, 2021).
- 3.6 Building from the diagnosis of the limitations that the Surinamese face to obtain better employment opportunities, the Bank has identified the most critical areas to improve the Training for Employment System (TFE)², the current employment intermediation services, and the LMIS with a gender and diversity perspective. First, for the TFE system, it is important to identify gender and diversity imbalances and the barriers that women and communities in the interior face to access relevant training courses. For example, anecdotal evidence reports gender segregation in the courses taken, whereby women tend to be enrolled in traditional low-remunerated fields, such as kitchen or nursing assistant, and are underrepresented in highly remunerated fields with high market demand such as computer science, Information and Communications Technology (ICT), and engineering. Furthermore, it seems that women experience more difficulty covering the costs of attending the courses, even when these are subsidized.
- 3.7 Second, although 63% of registered jobseekers for employment services provided by the MOL from 2015 to 2021 were women, the SDLM does not provide services tailored to women or other vulnerable groups (IDB-WAPES-OECD, 2016), nor does it provide information about other government programs that may increase their job prospects, such as access to subsidized childcare facilities.
- 3.8 The implementation of strategies to reduce the gap imbalances and barriers that women and diverse people face to access relevant training courses, and the lack of focalized employment services, relies on the quality of LMI obtained to visualize specific drawbacks and restrictions that prevent the labor insertion of these population groups.

² For further references, please see [Upskills \(2022\)](#)

- 3.9 **Strategic Alignment.** TC is aligned with the Second Update to the Institutional Strategy (UIS) 2020-2023 (AB-3190-2) with the strategic goal of “addressing the needs of less developed and small countries”, and with the development challenges of: (i) Social Inclusion and Equality by financing tools to promote access to employment of people in vulnerable groups; and (ii) with the cross-cutting issue of gender equality and diversity, since it seeks to collect information on labor including gender and diversity-related data and the design of the action plan with a diversity and gender perspective. Moreover, this TC is aligned with the Country Strategy of Suriname in the strategic objective of improving education and labor market outcomes, since it finances activities to foster the employability of women and diverse groups. The TC is consistent with the IDB Sector Framework Document for Labor (SFD) (GN-2741-12) contributing to the goal of the SFD to assist the region’s young people, the unemployed, underemployed, hard to employ, make the transition to work faster, more effectively and with better earnings prospects (5.3.A). It is consistent with SFD’s mandate to design interventions that are evidenced based and draw on existing knowledge and where no prior knowledge is available, the groundwork will be laid for knowledge generation to inform future operations. Finally, it is aligned with OC SDP Window 2 - Social Development (W2E) (GN-2819-14) through its priority area 5 of Inclusive Social Development by supporting policies and their implementation to make equal employment opportunities accessible to all segments of the population and by supporting efforts to promote gender equality and development with the identity of groups that face exclusion based on race and/or ethnicity. The execution of the TC will take into consideration Regional Strategies that might be relevant to action plans and policy dialogues.

IV. Description of activities/components and budget

- 4.1 This TC will execute three components:
- 4.2 **Component 1. Labor market information (LMI) for women, diverse groups, and employers.** This component will finance consultancies to: (i) collect qualitative and quantitative information from women and diverse groups, including people in the interior, about their labor market status, labor trajectory, and the determinants of workforce participation through focus groups and specialized surveys; (ii) collect information from employers to identify possible bias and prejudiced behaviors during the recruitment and career planning of employees; and (iii) perform an analysis and assessment of the labor market information of women and diverse groups resulting from the data collection in (i) and (ii), that can be replicated in the future by the MOL and other government agencies. With these activities, the main outcome of this component is to develop a strategy to visualize specific gaps and restrictions that prevent the labor insertion of these population groups.
- 4.3 **Component 2. Action plan for employability of diverse groups.** This component will finance a consultancy to design a diversity action plan that offers concrete solutions to close the imbalances highlighted in the assessment considered under Component 1. This action plan will complement the gender action plan established under Subcomponent 1.2 of 5626/OC-SU loan and will provide a better understanding of the necessary undertaking required to foster access to employment opportunities among diverse groups. Activities under this component will strengthen the knowledge agenda in the region, and specifically in the Caribbean by providing evidence of the effectiveness of a specific intervention.

- 4.4 **Component 3. Pilot Intervention to promote the employability of women and diverse groups.** This component will finance consultancies to: (i) design and implement a gender and diversity pilot intervention³ to promote the employability of women and diverse groups, based on the concrete actions defined in the action plan (Component 2); and (ii) carry out an impact evaluation to assess the effect of the pilot intervention on labor market outcomes of treated groups. Activities under this component will strengthen the knowledge agenda in the region, and specifically in the Caribbean by providing evidence of the effectiveness of a specific intervention.
- 4.5 It has an estimated a budget of US\$200,000 to be executed up to 36 months (2022-2025). This time of execution is justified in the times required to develop each activity from the consultancies and the fact that the consultancy from component 2 requires the results from the consultancy of component 1, so they cannot be done simultaneously. The funding source of this TC is the OC SDP Window 2 - Social Development (W2E) (GN-2819-14).

Indicative Budget

Activity/Component	Description	IDB/Fund Funding	Total Funding
Component 1.	Labor market information (LMI) for women, diverse groups, and employers.	\$115,000.00	\$115,000.00
Component 2.	Action plan for employability of diverse groups.	\$20,000.00	\$20,000.00
Component 3.	Pilot intervention to promote the employability of women and diverse groups.	\$65,000.00	\$65,000.00
Total		\$200,000.00	\$200,000.00

V. Executing agency and execution structure

- 5.1 At the request of the Government of Suriname, the IDB, through the Labor Markets Division (SCL/LMK) will execute this TC given: (i) the Bank, through SCL/LMK has technical expertise in labor market programs, based on international best practices; (ii) administrative burdens can be reduced on the government, particularly in the identification and contracting of international experts; and (iii) the Bank has the necessary technical, operational, and institutional capacity to duly and timely execute the activities proposed under this TC. The supervision of this TC will be carried out by the project team. The results of these activities are intended to bring key inputs to the implementation of the loan (5626/OC-SU). SCL/LMK will be responsible for the direction, supervision, and coordination of this TC. The Bank will coordinate its work extensively with the Government of Suriname and other benefitting ministries/entities.
- 5.2 The team leader, Yyannú Cruz Aguayo (SCL/LMK), will be responsible for the execution management.

³ The intervention will be design based on the inputs of Components 1 and 2.

- 5.3 The activities to be executed are included in the Procurement Plan (Annex V) and will be executed in accordance with current Bank procurement methods as follows: (a) Contracting of individual consultants, as established in the regulations AM-650; (b) Contracting of consulting firms for services of an intellectual nature according to GN-2765-4 and its Operational Guidelines (OP-1155-4), and (c) Procurement of logistics and other related services, in accordance with the Corporate Procurement Policy (GN-2303-28).

VI. Major issues

- 6.1 The TC will support the Government of Suriname in generating inclusive development with better employment opportunities. The success of the project will depend on significant levels of engagement and participation by private and public sector stakeholders, as well as civil society. Insufficient integration, coordination, communication among government agencies may lead to delays in project execution. To mitigate this risk, the Terms of Reference for the consultancies will include the capacity to engage effectively with the target groups of the consultancies.

VII. Exceptions to Bank policy

- 7.1 None.

VIII. Environmental and Social Strategy

- 8.1 This TC is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Banks Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client - SU-T1166](#)

[Results Matrix - SU-T1166](#)

[Terms of Reference - SU-T1166](#)

[Procurement Plan - SU-T1166](#)